Department of Health & Human Services Centers for Medicare & Medicaid Services 61 Forsyth St., Suite 4T20 Atlanta, Georgia 30303-8909



February 17, 2011

Craigan Gray, MD, MBA, JD
Director
Division of Medical Assistance
North Carolina Department of Health and Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Attention: Teresa Smith

RE: North Carolina Title XIX State Plan Amendment, Transmittal #10-037

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan NC 10-037 that was received in the Regional Office on December 13, 2010. This State plan amendment was submitted with only preprint text pages under Section 4.5.

The amendment confirms the North Carolina Medicaid Agency's compliance with the Federal requirements to establish the Recovery Audit Contractor program that identifies underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.

Based on the information provided, we are advising you now of the approval of the Medicaid State Plan Amendment NC 10-037. It was approved on February 15, 2011. The effective date of this amendment is December 1, 2010. We are enclosing the approved form HCFA-179 and plan pages.

If you have any questions or need any further assistance, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

/s/

Jackie Glaze Associate Regional Administrator Division of Medicaid & Children's Health Operations

Enclosures